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Foreign Crops and MARKETS



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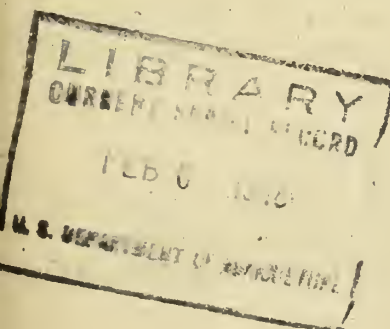
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FOR RELEASE

MONDAY

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L A T E N E W S

Current reports in the Soviet press indicate that the 1947 cotton crop in the Soviet Union was 21 percent larger than in 1946. After deducting for abandonment and losses in harvesting (neither of which is considered in official Soviet estimates) the 1947 crop would be the equivalent of about 2,665,000 bales (of 500 pounds gross) compared with 2,240,000 in 1946. The 1947 acreage goal was previously reported at 3,625,000 acres compared with 3,216,000 acres planted in 1946.

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Cotton consumption in the French occupation zone in Germany is currently estimated at 4,600 bales monthly, most of which is for French and Swiss account. This rate amounts to 55,000 bales annually. Imports since August almost entirely through Antwerp averaged only 1,800 bales monthly but an increase to the consumption is planned for the January-March quarter.

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An Executive Decree has been promulgated by the Government of Costa Rica designed to reduce imports and the amount of money in circulation. It also may lead to a revision of the present classification of goods in the three import categories.

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The decree was issued after the government had considered the recommendations made by a technical commission of the International Monetary Fund which was in Costa Rica from November 20 to December 14 of last year to study the balance of payments situation and related problems.

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The new decree provides that import orders must be registered with the Control Board when placed and that cash deposits must be made covering 20, 40 or 60 percent of the value of the import order, depending upon its classification as essential, semi-essential, or unspecified. No foreign exchange will be granted without the required registration and deposit of funds.

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The Government of India announced the removal, effective January 20, of all statutory floor and ceiling prices on cotton. The cotton export duty, previously amounting to 20 rupees a bale (one and one-fourth cents a pound) was doubled on the same date.

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Exports are again limited to cotton shorter than 13/16 inch staple and to following types: Bengal Deshi, Oomra Deshi (excluding CP-I and II), Mathia, Assams and Comillas. Sales of other qualities made before January 20 will be approved upon presentation of proof of sale within 3 days. The Governments of India and Pakistan previously announced the unrestricted

COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDS

CUBA TAKES RECORD RICE IMPORTS

Unusually heavy rice imports into Cuba during the last quarter of 1947 raised total imports for the year to 690 million pounds, compared with 330 million in the preceding year, and with the previous record of 444 million pounds in 1939. Of the total imports, 98 percent were from the United States. During the October-December quarter, imports equalled 295 million pounds, of which 287 million were United States rice.

The Cuban demand for rice has been strong and will probably increase in coming weeks as the sugar season progresses. Although stocks are now ample, a shortage may occur in the spring if additional rice is not imported.

CUBA: Rice imports, average 1932-41,
annual 1944-47

Country or area of origin	Average		1944	1945	1946	1947 a/
	1932-36	1937-41				
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Orient.....	333	201	0	0	0	0
United States.....	19	232	362	309	238	678
Ecuador.....	0	1	84	57	50	8
Chile.....	0	0	8	11	8	b/
Colombia.....	0	0	0	0	13	0
Other countries.....	27	1	2	7	21	3
Total.....	379	435	456	384	330	689

Compiled from official trade statistics, except for 1947.

a/ Preliminary figures of ships' manifests. b/ Less than 500,000 pounds.

PHILIPPINE RICE PRICES HIGHER

Domestic rice prices in the Philippine Islands increased about 40 cents per 100 pounds during the week ended January 3. Milled No. 1 Macan prices were from \$9.92 (December 29) to \$10.53 (January 2) per 100 pounds, compared with \$9.92 to \$10.12 per 100 pounds during the week ended December 27. Milled No. 2 Macan was quoted from \$9.72 to \$10.33, compared with \$9.72 to \$9.92 a week earlier. The price of Siam first-class remained at the December price of \$11.25 per 100 pounds. Rough rice prices were not quoted.

(Continued on Page 45)

TOBACCOU.S. TOBACCO SPECIALISTS
ARRIVE IN EUROPE

J. B. Gibbs and C. B. Cheatham, Jr., tobacco specialists of the Office of Foreign Agricultural Relations, arrived in Europe on January 5. They have been assigned to study first-hand the market outlets for United States tobacco in most of the countries of Western Europe. The first stop-over was made in Dublin, Ireland. The following is a summary of their first report from abroad:-

Current market supplies in Ireland of cigarettes and other tobacco products are only slightly below the effective demand. An effort is being made to maintain the market supply at near the demand level yet conserve the bonded stocks of leaf. Due to the dollar shortage, exchange has not been allocated for purchases of United States tobacco since November. There is no indication as to when additional dollars will be allocated for tobacco purchases.

Utilization of leaf in Ireland is controlled only by limitation in withdrawals from bond. Manufacturers are stretching the leaf supplies made available to them by using significant quantities of stems, formerly discarded. There are no shortages in tobacco manufacturing supplies other than leaf.

Leaf stocks in Ireland on October 31, 1947, were reported to be 15 million pounds. (At the 1946 rate of utilization the 15 million pounds would be adequate to meet requirements for a period of about 12-15 months. Prewar leaf stocks averaged about 20 million pounds, adequate for 24-26 months.)

U.S. SHARE IN SWISS
TOBACCO MARKET RISES

Switzerland's imports of leaf tobacco during the first 11 months of 1947 totaled 20.3 million pounds, of which 9.8 million pounds, or 48 percent were from the United States. This compares with imports of 16 million pounds from all sources during the corresponding period of 1946. During prewar (1935-39) years, Swiss tobacco imports averaged 15.8 million pounds yearly. The United States supplied an annual average of 6.2 million pounds during those years, or 39 percent of the total.

Imports from Brazil also showed an increase when compared with the prewar imports from that country -- amounting to 4.3 million pounds during the January-November period in 1947, compared with average annual imports of 2.5 million prewar. Other principal sources of supply in 1947 were Turkey, the Dominican Republic, Argentina and Greece. No information is available regarding purchases to be made this year.

In 1946, Swiss output of tobacco products was as follows: Cigarettes 4,456 million pieces; cigars, 564 million pieces; smoking tobacco, 6,556,000 pounds; cigarette tobacco, 198,000 pounds; snuff, 61,000 pounds and chewing tobacco, 8,000 pounds. Estimates place the output of products in 1947 at about the same as in 1946, except for an increase in cigarettes to about 5,000

million pieces. For 1948, a decline in cigarette manufacture to about 4,600 million is anticipated. Cigarette production is about double the prewar average. All supplies used in the manufacture of tobacco products are easily obtainable. There is no rationing and consumer demands are being met in full.

EGYPT INCREASES TOBACCO DUTIES

A Royal Decree, published on December 1, 1947, increased Egyptian duties on leaf tobacco and tobacco products. The duty on leaf, stemmed and unstemmed, was increased from \$3.29 to \$3.57 per pound; and on imports of tobacco manufactures from \$4.14 to \$4.52 per pound.

The same decree required that a special label bearing the name of the importer be affixed to the containers of imported tobacco products. The procedure requires an importer to submit to the Customs Administration for its approval a design of the label, showing the name of the importer in both Arabic and English. The manufacturer abroad is then advised of the label, and must attach it to all shipments to Egypt.

ARGENTINE TOBACCO CROP EQUALS LAST YEAR'S

Trade sources place the 1947-48 crop of tobacco in Argentina at 57 million pounds, or about the same as the 1946-47 harvest. A larger quantity was expected this season, but insect damage, and scanty rainfall reduced the size of the crop. The Government has established minimum prices for native types grown in Corrientes Province at from 8.1 cents to 16.2 cents per pound; and for native Misionero at from 9.5 cents to 21.1 cents per pound.

TROPICAL PRODUCTS

HAITI'S COFFEE CROP BELOW LAST YEAR'S

The National Bank of the Republic of Haiti now places the exportable production from the 1947-48 coffee crop at 333,000 bags (132 pounds each), compared with 400,000 bags the previous year. The reduction is attributed to drought during the summer months, especially in the southern peninsula.

According to preliminary statistics, exports of coffee during the crop year 1946-47 (October 1-September 30) totaled 411,000 bags, of which 288,000 bags were destined to Europe, 120,000 bags to the United States, and 3,000 bags to other countries. This compares with 405,000 bags exported in 1945-46 of which 131,000 bags went to Europe, 165,000 to the United States, and 109,000 to other Western Hemisphere countries.

European countries, the traditional market for most of Haiti's coffee, took large quantities in 1946-47, but the shortage of dollar exchange has practically eliminated this outlet in recent months. It was reported that Belgium, the principal European buyer of Haitian coffee, was endeavoring to make purchases through London for Belgian Francs that would be converted into sterling and later into dollars.

WESTERN VENEZUELA'S COFFEE CROP AVERAGE

The interseasonal or "Christmas" coffee crop in the Western Venezuelan States of Tachira, Merida, and Trujillo is about average in size but may be slightly below the usual quality, according to a report from the American Consulate in Maracaibo. These three states produce about 50 percent of Venezuela's coffee. Coffee exporters in Venezuela place the exportable coffee production for the entire country during the calendar year 1947 at 650,000 bags, which is considered an average crop.

FRUITS, VEGETABLES AND NUTS

BRITISH COLUMBIA EXPORTS 1,521 CARS OF APPLES TO U. S. MARKETS

Shipments of apples from British Columbia points destined for markets in the United States totalled 1,521 cars (1,216,800 boxes) for the 1947-48 season through January 3. Shipments for comparable periods during the 1944-45 and 1946-47 seasons were approximately 1,400 and 675 cars, respectively. Because of a short crop, there were very few shipped in 1945-46.

The rate of movement of the British Columbia apples to the United States dropped sharply in December. Only 23 cars were shipped during the three week period, December 12 through January 3. Recent information indicates that further exports to the United States will be very small.

The British Columbia apples have moved to 35 States, according to British Columbia Tree Fruits, Ltd., which serves as the sole marketing agency for the Province. The States and the number of cars destined for each were reported as follows: Illinois 412, Wisconsin 191, Minnesota 124, Texas 111, Michigan 94, Missouri 80, Iowa 65, Massachusetts 42, New York 39, Pennsylvania 31, Alabama 28, Indiana 27, Florida 25, Nebraska 25, Ohio 22, Tennessee 22, Georgia 21, Oklahoma 20, Kansas 19, Mississippi 16, North Dakota 14, South Carolina 14, Louisiana 13, California 12, Kentucky 12, Colorado 7, South Dakota 7, New Jersey 6, Maine 5, Arkansas 4, Vermont 4, North Carolina 4, West Virginia 2, Wyoming 2 and Montana 1.

Total exports from all areas in Canada to all countries for the 1947-48 season through January 3 were 1,831,000 bushels, according to the Dominion Department of Agriculture. Of this total British Columbia exported 1,661,000 bushels, Nova Scotia 160,000, Ontario 8,000 and New Brunswick and Quebec about 1,000 bushels, each.

GRAINS, GRAIN PRODUCTS AND FEEDS (Continued from Page 42)

AUSTRALIA'S WHEAT ESTIMATE REDUCED, BUT STILL WOULD SET A RECORD

A mid-December official estimate, the latest received, places Australia's wheat production in 1947 at 226 million bushels.

At that figure the crop would be the largest on record, and 110 million bushels, or 95 percent, larger than the small 1946 harvest. It is, however, somewhat less than early season forecasts. The reduction from the previous high estimates is attributed to unfavorable ripening conditions, severe outbreaks of rust, and damage by wind, hail, and rain. Trade estimates place the crop at a somewhat lower figure than the official estimate.

Despite crop damage from the causes mentioned, the official estimate placed prospects above the previous record crops of about 214 million bushels produced in 1930 and again in 1932. The outturn of 210 million bushels in 1939 completes the record of harvests exceeding 200 million bushels. Handling a crop of the volume reported for this season presents many problems, as a result of shortages of harvest machinery, labor, storage and transport facilities.

Exceptionally favorable growing conditions were reported up to mid-October, when unfavorable weather began. Since that time, widespread rains in some States have caused damage, especially from rust and fungus disease. Excessive rainfall was also resulting in lodging of grain and delayed harvests. Reports state that a considerable amount of grain in eastern states will be below f.a.q. standards.

Although the greatest damage appears to have occurred in New South Wales, especially in the northwestern and central districts, where rains were especially heavy, the bulk of the increase over last year's crop is accounted for in that State. The latest estimate of 100 million million bushels, the largest recorded, is more than double the 1935-1944 average and contrasts with the 1946 harvest of 15 million bushels. A large part of the crop is said to be of low quality.

In Victoria, the second largest wheat producer, prospects were reduced by about 20 million bushels, but the crop is expected to be about the same as last year's above-average outturn. Victoria was the only State having a better than average crop last year.

Damage has also been reported in South Australia and, while the prospect is still for a better-than-average crop, the present indication of a crop of 35 million bushels is less favorable than early-season prospects for 40-45 million. The quality of the grain is reported to be generally below average.

Rainfall in Western Australia during October benefited the crop, which was suffering from a deficiency of moisture at that time. Some recovery following the rainfall was indicated by a slight increase in the crop forecast, which is now placed at 32 million bushels.

A good harvest is expected in Queensland and that State will have some surplus for export, for the first time in five years. The quality of early harvested grain was reported to be good but rust affected the quality of later-sown grain, according to reports.

If the wheat harvest reaches the level forecast, an exportable surplus of about 145 million bushels is expected. This provides for domestic use of about 60 million bushels from the commercial deliveries. Of that amount, about 35

million would represent stock and poultry feed. This would be in addition to the expected retention of about 20 million bushels on farms.

Exports from the new crop to the United Kingdom and United Kingdom areas of responsibility are expected to total about 80 million bushels, under the terms of a recent agreement. An additional 25 million bushels to India would leave about 40 million for other countries, assuming the crop outturn to be at the currently estimated level.

About two-thirds of the exports of wheat during the first 10 months of the past crop year went to India, with New Zealand, the second largest claimant, accounting for about 17 percent. Flour shipments were more widely distributed with, however, Malaya, Ceylon, the United Kingdom and Mauritius together accounting for 72 percent of the total shipments during that period.

The export price of wheat had increased to \$3.13 per bushel, bulk, f.o.b., main ports, by mid-December, reflecting higher prices on the world market. The price of bagged wheat, rose corresponding to \$3.26 per bushel, in terms of United States currency.

Australia: Wheat acreage sown for grain and production, by States,
1947 with comparisons

State	: Average : : 1935-36 : : to 1944-45 :	: 1945-46 : : 1,000 : : acres :	: 1946-47 : : 1,000 : : acres :	: 1947-48 : : 1,000 : : acres :
<u>Acreage</u>				
New South Wales	3,832	3,774	4,474	5,200
Victoria	2,449	3,251	3,501	3,200
Queensland	326	392	248	500
South Australia	2,508	2,165	2,519	2,600
Western Australia	2,464	1,836	2,419	3,100
Tasmania	10	5	8	a/
Australian Capital ...	2	2	3	a/
Total	11,591	11,425	13,172	14,600
<u>Production</u>				
New South Wales	48,480	62,520	15,682	100,000
Victoria	31,724	29,634	48,971	48,000
Queensland	4,967	8,188	705	10,500
South Australia	29,133	21,034	27,906	35,000
Western Australia	27,043	20,929	23,800	32,500
Tasmania	217	67	139	a/
Australian Capital ...	34	38	59	a/
Total	141,598	142,410	117,262	226,000

From official sources.

a/ Not available.

(Continued on Page 58)

COTTONCOTTON-PRICE QUOTATIONS
ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets, converted at current rates of exchange:

COTTON: Spot prices of certain foreign growths
and qualities in specific markets

Market location, kind, and quality	Date : 1948	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria	:	:Kantar	:	:	:
Ashmouni, Good.....	:1-15	: 99.05 lbs.	: Tallari	: 50.25:	41.93
Ashmouni, F.G.F.....	: "	: "	: "	: 47.25:	39.42
Giza 7, Good.....	: "	: "	: "	: 56.50:	47.14
Giza 7, F.G.F.....	: "	: "	: "	: (not:quoted)	
Karnak, Good.....	: "	: "	: "	: 60.00:	50.06
Karnak, F.G.F.....	: "	: "	: "	: (not:quoted)	
Bombay	:	:Candy	:	:	:
Jarila, Fine.....	: "	: 784 lbs.	:Rupee	: 526.00:	20.25
Broach, Fine.....	: "	: "	: "	: 582.00:	22.40
Sind American, Fine.....	: "	: "	: "	: 650.00:	25.02
Punjab " 289-F, Fine:	: "	: "	: "	: 670.00:	25.79
Kampala, East African....	: "	: "	: "	: 920.00:	35.41
Buenos Aires	:	:Metric ton	:	:	:
Type B.....	:1-16	: 2204.6 lbs.	:Peso	: 2,620.00:	35.38
Lima	:	:Sp. quintal	:	:	:
Tanguis, Type 5.....	:1-15	: 101.4 lbs.	:Sol	: 167.00:	25.33
Pima, Type 1.....	: "	: "	: "	: 200.00:	30.34
Recife	:	:Arroba	:	:	:
Mata, Type 5.....	:1-16	: 33.07 lbs.	:Cruzeiro	: 130 00:	21.39
Sertao, Type 5.....	: "	: "	: "	: 135.00:	22.21
Sao Paulo	:	:	:	:	:
Sao Paulo, Type 5.....	: "	: "	: "	: 179.50:	29.53
Torreón	:	:Sp. quintal	:	:	:
Middling, 15/16".....	: "	: 101.4 lbs.	:Peso	: 142.00:	28.81

Compiled from weekly cables from representatives abroad.

(Continued on Page 59)

FATS AND OILSSOYBEAN CULTIVATION URGED
IN BRITISH EAST AFRICA

The Soya Overseas Development Company, Ltd., composed of several soybean manufacturers in the United Kingdom has been organized to stimulate soybean production in British East Africa. Experiments, under the direction of this company, are planned for 1948 in Kenya and Uganda. Introduction of the soybean industry in these colonies would appear to be well worth an intensive

trial not only to produce an export crop but also to increase the local food supply. If soybean flour could be introduced into the African's diet, it would help to raise his present low nutritional standard.

A guaranteed minimum price for 1948 production is being offered by the Soya Company, but they will pay the American Market price in sterling on the day of sale if the latter is higher. The Company can utilize 100,000 tons (3.7 million bushels) of soybeans and hopes that East African production will exceed this amount within three years.

Kenya's Director of Agriculture has announced that all possible encouragement will be given to soybean cultivation, but stated that earlier experiments have shown that soybeans do not thrive particularly well in Kenya. As an incentive to farmers, a local farm machinery concern has offered to place a combine harvester at the disposal of the first Kenya farmer to grow 100 to 200 acres of soybeans and will make alterations to machines in stock to enable mechanized harvesting.

In Uganda, the soybean project is welcomed as an opportunity to lessen chances of famine as well as to contribute to the world's food supply. Although parts of Uganda are extremely fertile, rainfall is scattered, and there are areas subject to famine conditions in dry seasons. This year there is a probability of food shortages in several provinces because of prolonged drought in 1947.

The Uganda peasant farmer is not easily persuaded to grow a new cash crop except at the expense of another crop which may be equally necessary for the economy of the country.

MOROCCO STIMULATES OILSEED PRODUCTION

Attempts to increase Moroccan oilseed production are meeting with some success despite the fact that producers prefer to devote their major efforts to food crops such as wheat or barley. Price bonuses are not as effective as would be expected since growers prefer to ensure an adequate bread supply for themselves through grain production rather than to attempt to buy grain with money received from the sale of oilseeds. This feeling is being combatted by the oilseed pools to some extent, by the offer of tractors, oil, and oilcake.

Moroccan production of oilseeds, intended primarily to supplement the needs of France for industrial oils, is limited almost entirely to flaxseed, sunflower seed, carthame (safflower), and negligible plantings of cotton and rapeseed. Little of this production is consumed locally, however, the edible oil requirements being met largely from peanut oil. Though Morocco produces substantial quantities of olive oil, the authorities prefer to export most of it in view of its high price level and its foreign exchange earning power.

Cheaper peanut oil or peanuts for local processing are imported from French West Africa. Peanut oil prices were approximately 60 francs per kilo (22.9 cents per pound) from January through July 1947, (1939 price 5.3 francs or 6.0 cents per pound) and have been 82 francs (31.2 cents) since then; olive oil prices (unrefined) have remained at 132 francs per kilo (50.3 cents) since April 1947 (7.7 francs or 8.7 cents per pound in 1939).

An intensive campaign is being waged to encourage farmers to plant flaxseed. Moroccan representatives of the French Organization, "Groupement National d'Achat des Produits Oleagineux," have officially undertaken to purchase all flaxseed produced in Morocco from the harvests of 1948, 1949 and successive years at the minimum price of 3.5 times that of a quintal (220.46 pounds) of soft wheat (approximately 4,750 francs or \$10 per bushel at present) of the same year or at the world flaxseed price, whichever is higher. Planters are also promised assistance in attaining tractors and are furnished seed. With this encouragement, it is hoped that acreage may reach the 1942 record of 128,000 acres, but it is doubtful if the area will exceed 100,000. Factors adversely affecting expansion are: (1) the appeal to farmers to plant wheat, (2) late rains, (3) serious shortage of motor fuels and (4) a serious shortage of tractors and parts. Should plantings reach 100,000 acres, production could attain 630,000 bushels, most of which would be exported to France. Last year's production is estimated at 466,000 bushels from 73,000 acres, compared with 362,000 bushels from 51,000 acres, the 1935-39 average.

A campaign is also being sponsored by a local marketing group to increase sunflower-seed plantings. It is hoped that at least 62,000 acres will be cultivated this year, compared with 20,000, producing an estimated 66,000 short tons of seed, in 1947. The price currently being offered to producers is 3,000 francs per quintal (11.4 cents per pound) or 2.5 times the price of soft wheat. In addition, for each 220 pounds of seed delivered, producers are entitled to 15 pounds of edible oil and oilcake produced from 45 pounds of shelled seeds or 88 pounds of seeds in the shell. As is the case with flaxseed, producers are offered assistance in the procurement of tractors (available in negligible quantities only). The same factors which tend to restrict flaxseed expansion also affect sunflower-seed expansion.

Efforts are being made to commercialize safflower seed more extensively. If 4,000 acres are again planted this year, as in 1947, Morocco might hope to secure at least 900 tons of oil from this source. The price of safflower seed has been placed at 2,040 francs per quintal (7.8 cents per pound) which is 1.7 times the price of soft wheat. Deliverers of seed may receive the same benefits as producers of sunflower seed.

Rapeseed production is subject to the same incentives as sunflower seed and safflower seed, but negligible amounts are planted. The price is 2.5 times that of soft wheat. Cottonseed production is insignificant despite increased output in recent years.

Morocco's annual oil requirements under the present rations are estimated at 18,000 to 20,000 tons. The figure would likely approach 40,000 tons if rationing were removed. In view of the policy of reserving the greater part of the Moroccan olive oil for export, oil imports are necessary to supply the deficiency. At present these consist principally of peanut and peanut oil imports from Dakar.

UNITED STATES FATS AND OILS IMPORTS APPROACH PREWAR AVERAGE

United States imports of specified fats and oils (in terms of oil) amounted to 1,216 million pounds during January-November 1947, compared with 733 million a year earlier and the 1935-39 average (12 months) of 1,666 million. Imports of

copra, sesame seed, tucum kernels, linseed oil, palm oil, tea seed oil, and tung oil were far in excess of 1946 and in some instances were larger than the prewar average.

UNITED STATES: Imports a/ of specified oils and oilseeds, January-November 1947, with comparisons

Commodity	Unit	Average 1935-39	1946	January-November	
				1946	1947
Babassu kernels.....	1,000 lbs.	b/	39,463	39,463	22,013
Babassu oil.....	"	c/ 346	2,314	2,314	1,523
Castor-beans.....	"	132,924	226,295	211,444	240,631
Castor-oil.....	"	226	6,450	4,730	6,595
Flaxseed.....	bu.	18,470	3,394	3,373	280
Linseed oil.....	lbs.	713	94,405	63,235	117,325
Copra.....	Short tons	230,000	394,696	300,927	d/591,832
Coconut oil.....	1,000 lbs.	348,715	2,353	2,353	18,479
Oiticia oil.....	"	c/ 7,673	22,593	21,247	8,207
Olive oil:					
Edible.....	"	62,811	12,660	11,421	10,388
Inedible.....	"	35,448	103	94	234
Palm oil.....	"	321,482	37,850	33,233	57,368
Sesame seed.....	"	58,425	4,891	4,668	9,316
Tea seed oil.....	"	13,159	88	88	6,130
Tucum kernels.....	"	e/ 9,810	12,709	12,709	16,887
Tung oil.....	"	123,190	36,207	26,818	104,821

Compiled from official sources.

a/ Imports for consumption. b/ Not separately classified in Foreign Commerce and Navigation. c/ Average of less than 5 years. d/ A small quantity exported in the form of oil. e/ 1939 only.

BRITISH PACIFIC COPRA OUTPUT REPORTED LARGER

Commercial copra production for the 11-month period, November 1, 1946 to September 30, 1947, on the Islands of Fiji, Tonga, Gilbert and Ellice, and British Solomons is estimated at approximately 68,000 short tons, compared with 46,000 for the 12-month period, November 1, 1945 to October 31, 1946. With good weather and no serious attacks by insects or disease, the 1948 copra crop should be even larger. The greatest output occurs on the Fiji Islands where total 1947 commercial production is estimated at 50,000 tons.

BRITISH PACIFIC: Commercial copra production, 1945-1947

Island	November 1, 1945- October 31, 1946	November 1, 1946- September 30, 1947
	Short tons	Short tons
Fiji.....	28,876	48,160
Tonga.....	15,204	16,777
Gilbert and Ellice.....	2,391	2,356
British Solomons.....	-	553
Total.....	46,471	67,846

American Consulate, Suva.

Fiji Island production has been strongly encouraged this year by the increase in price which the British Ministry of Food has offered for copra. About 60 percent of the copra is produced green by Fijian natives from their own lands and sold to local storekeepers and planters for drying and subsequent commercial distribution. The high price offered for their copra as compared with wages on the large European-owned copra plantations has encouraged the natives to work their own land. The larger plantations are accordingly suffering heavily from lack of labor. It was estimated that this factor would have lost to Fiji an amount of coconuts equivalent to 5,600 tons of copra by the end of 1947. One likely effective method of counteracting the labor shortage would be to offer additional inducements to the Fijian workers, such as desirable rations. However, imported foods are scarce and expensive and local foods are very perishable. Indian laborers cannot be attracted because the planters are unable to obtain enough rice for them.

From 1930-1940 a large part of the copra exports from these islands went to continental European countries. During the war and since that time the British Ministry of Food has assumed control of this copra, which now is sent to the United Kingdom either as copra or as coconut oil and copra meal. Some shipments of meal have also gone to New Zealand and Australia. The British Ministry of Food desires the copra rather than the oil, claiming greater efficiency of extraction in Great Britain as well as the need for copra meal. However, the Fiji Government is attempting to foster the local extraction industry. One local company has been granted permission to crush 1,680 tons of copra in 1948 in order to manufacture margarine and vegetable shortening.

BRITISH PACIFIC: Copra exports, 1946-47 (Nov.-Oct.) with comparisons

Country of destination	Fiji Islands	Tonga Island
	<u>Long tons</u>	<u>Long tons</u>
Average 1935-39 a/ 1944-45	30,300	11,831
Australia.....	1,214	-
Canada.....	8,040	8,177
New Zealand.....	536	-
United Kingdom.....	-	3,000
United States.....	10,962	-
Total.....	20,782	11,177
1945-46		
Canada.....	738	4,561
United Kingdom.....	6,300	2,448
United States.....	7,978	-
Total.....	15,016	7,009
1946-47 b/		
United Kingdom.....	27,202	15,683
Total.....	27,202	15,683

Compiled from official sources.

a/ Calendar year. Country breakdown not available.

b/ Eleven months ended September 30, 1947

Prices of copra, as well as of locally manufactured copra meal and coconut oil, are fixed by the British Ministry of Food. The Tonga and Fiji Copra Boards purchase copra from planters for the British Ministry of Food, and prior to December 8, 1947, exported it at an increase of £5 per long ton (\$16.36 per short tons). Local industrial consumers may purchase copra either from the Copra Board at its price or from the planters at a lower price. Effective December 8, 1947, the Fiji Copra Board increased the buying prices of copra at Suva and Levuka from £36/13/6 per long ton (\$120 per short ton), F.M.S. grade, to £38/0/0 (\$124) and from £36/19/0 (\$121), plantation grade, to £38/5/6 (\$125). In February 1942, prices were £14/15/0 (\$48), F.M.S. grade and £15/15/0 (\$52), plantation grade. The above increases, as of December 8, did not affect the prices set by the Ministry of Food for copra, f.o.b., Suva, which remain £14/13/6 (\$136), F.M.S. and £14/19/0 (\$137), plantation grade. Copra, coconut oil, and copra meal may be exported only by license from the Fiji Government and in practice are chiefly exported to the United Kingdom.

SWEDEN PLANTS MORE RAPESEED

Favorable price guarantees increased the planting of rapeseed in Sweden in the fall of 1947 by 64 percent above the 1946 fall plantings and 140 percent above the 1945 acreage. Approximately 42,000 acres were seeded to rapeseed, compared with 26,000 and 18,000 the two preceding years. This year's winter rape has developed unevenly, about 20 percent of the acreage reportedly being below normal, due to a deficit of rainfall in some regions and a surplus in others.

LIVESTOCK AND ANIMAL PRODUCTS

LIVESTOCK NUMBERS IN FRANCE, FALL OF 1947

The annual fall livestock estimate of 1947 for France showed a noticeable increase over 1946 in hogs, sheep, and horse numbers. Cattle numbers remained at nearly the same level, but the estimated total of cows increased slightly.

The total number of cattle in the fall of 1947 is nearly the same as it was a year ago, or approximately 97 percent of prewar. Cattle numbers increased steadily during the winter and spring of 1947. However, the summer drought of 1947 and resulting feed shortage reversed the trend of cattle numbers downward because of large-scale slaughter. This downward trend is expected to continue until the spring of 1948 and until an expected increase occurs in feed supplies. Weights of live animals are nearly 20 percent below prewar and about 7 percent below 1946.

Hog numbers in October 1947 were 21 percent below prewar, but showed an increase of 6 percent over 1946. Sow numbers were large and will permit a rapid increase in hog numbers if feed conditions improve in the spring and summer of 1948 and if France can import sizeable quantities of concentrated feed during the year.

Sheep numbers increased about 1 percent during the year. The increase is attributed to moderate increases in wethers and lambs. Numbers are now 26 percent below prewar and are expected to recover only a small amount of the wartime losses.

FRANCE: Livestock numbers, October 1, 1947,
with comparisons

Kind of livestock	1938	1946	Oct. 1, 1947	Percentage
			(Preliminary)	1947 is of 1938
	Thous- ands	Thous- ands	Thous- ands	Percent
Cattle, total	15,622	15,100	15,089	97
Bulls	280	279	275	98
Oxen	1,236	1,194	1,141	92
Cows	8,732	7,414	7,451	85
Calves				
1 year and over	3,114	3,445	3,458	111
Under 1 year	2,260	2,768	2,764	122
Hogs, total	7,127	5,335	5,656	79
Boars	40	34	37	93
Sows	875	800	834	95
Other	2,581	1,821	1,936	75
Pigs under 6 months	3,631	2,680	2,849	78
Sheep, total	9,872	7,259	7,330	74
Rams	200	142	141	70
Ewes	6,181	4,779	4,772	77
Wethers	986	360	393	40
Lambs	2,505	1,978	2,024	81
Goats	1,416	1,146	1,148	81
Horses, total	2,692	2,354	2,411	90
Mules	108	96	84	78
Asses	165	110	103	56

Office of Foreign Agricultural Relations.

DANISH HOG NUMBERS
CONTINUE TO DECLINE

Hogs numbers in Denmark continue downward trend according to the December 27 census. The total numbers were about 5 percent below a year ago. Present Danish hog numbers are only slightly more than one-half of prewar although a direct comparison is not possible as the current statistics include hog numbers

in parishes and boroughs. All classes of hogs, except slaughter animals, showed a considerable decrease. Bred sows have declined over 38 percent since a year earlier.

A generally tight feed situation, inadequate export prices and high production costs have discouraged pig expansion and reduced the operations of that industry in Denmark during the past year. Reduced breedings reported in successive censuses will be reflected in fewer farrowings and a smaller pig crop in 1948. As a result, bacon production in 1948 can be expected to be lower than in 1947.

Hog numbers in December totaled 1,604,000 head, compared with 1,687,000 a year earlier. Bred sows numbered 80,000 head, in comparison with 130,000 in December of 1946. Suckling pigs dropped from 351,000 to 275,000 head, while slaughter hogs were reported at 1,181,000 head as against 1,133,000 a year ago. For other comparative data, see the Foreign Crops and Markets issues of November 10 and December 15, 1947.

WOOL DEVELOPMENTS IN SOUTHERN HEMISPHERE, 1947-48 SEASON

Wool exports from the five principal Southern Hemisphere countries during the current (1947-48) season are indicated as being somewhat smaller than the all-time record exports in the early part of last season, especially from the British Dominions. South American exports are larger.

The four-month total for Australia shows a large reduction in exports to the United States, with the total to all countries falling off 52 percent to 235 million pounds. This decrease is due principally to the fact that last season large quantities of wool which were sold in the preceding season, after the end of the war in Europe, were exported in the early months of the 1946-47 season. Other reasons for the decline in exports so far this season are reported to be the limited quantities of suitable types of wool offered at early sales, higher prices and the anticipated 25 percent reduction in the United States tariff which becomes effective February 1.

Sales at selling centers for the six months, through December, are reported to have reached 399 million pounds, an increase of 12 percent above a year earlier but 11 percent below the large sales of 446 million pounds for the same period of 1945-46. The average for this period of the three prewar seasons 1936-37 to 1938-39 was 404 million pounds.

The average price of grease wool in Australia for the first six months of the current season was 46.8 cents, compared with 30.6 cents a year earlier and 21.2 cents in the same period of the 1945-46 season. (all on a grease basis).

The Union of South Africa has also exported less wool to the United States in the first six months of the new season compared with a year earlier. Declarations at United States consulates indicate shipments of 19 million pounds compared with 40 million pounds in the same period of the preceding season.

Offerings at auction totaled approximately 95 million pounds in the three-month period, (September - December), compared with 119 million pounds a year earlier. The auction season began in September. The December price of type 12

64-70's, 10-12 months wool was 55 cents a pound, grease basis, compared with 52 cents in September, the first month of the 1947-48 selling season. Last season 64's - 70's spinners wool averaged 37 cents a pound in December and was approximately the same for the season.

Current exports from New Zealand are not available. New record prices are reported as being paid at recent sales in that country with local mills competing with French buyers for super halfbred fleeces. The average price paid in London, clean scoured basis, in December for 56's ordinary was 76 cents compared with 72 cents at the September sales. The price for 50's ordinary was 56 cents compared with the September price of 51 cents a pound and for 48's ordinary 51 cents compared with 48 cents. These prices ranged from 26 percent above December 1946 for 48's ordinary to 43 percent above for 56's.

Argentine exports for the first two months of the new season (October - November) totaled 61 million pounds, an increase of 30 percent above last season. A little over half the total, or 35 million pounds, went to United States and exceeded shipments a year earlier by 150 percent.

Apparently December exports to the United States were also fairly large as approximately 81 million pounds were declared for export at United States consulates for the 3-month period against 34 million pounds a year earlier. Seventy-five percent of the total consisted of coarse crossbred wool not finer than 40's and Cordova wool.

Cabled reports indicate that coarse crossbreds increased sharply in early January, sellers asking 20 to 20.5 cents a pound grease basis per pound c and f Boston and predicting a rise to 23 cents by April. The advance is stated to be due to growing realization of a smaller clip. Fine wool bidding is still keen with French buyers active. The domestic mills are taking most of the super lots with some speculative buying of inferior Southern fine wools.

Exports from Uruguay in the first three months of the new season, to December 31, totaled 50 million pounds, an increase of 79 percent above a year earlier. Exports to the United States at 35 million pounds increased almost 200 percent.

The December wool market was reported as active with prices advancing. Super fine crossbreds were selling at 49 to 51 cents, grease basis. Superior crossbreds at 46 - 49 cents and average fine crossbreds at 43 to 46 cents.

(Table on following page)

GRAINS, GRAIN PRODUCTS AND FEEDS

(Continued from Page 47)

UNION OF SOUTH AFRICA
REPORTS NEAR-RECORD GRAIN CROP

Latest estimates place the wheat harvest now being completed in the Union of South Africa at about 18.8 million bushels. This would be the largest production of recent years and one of the largest crops ever produced in that country. With the harvest completed in January the final estimate is due in mid-February.

The production of oats, reported at 11.5 million bushels, would be the largest on record as are the estimates of 2.6 million for barley and 1.7 million bushels for rye. Timely rains in August and September made a material improvement in grain crop prospects in some sections of the country, while in other sections, especially in the Orange Free State, the rains appear to have been too late to effect much improvement. Some hail damage was reported in the Orange Free State and in eastern Cape Province.

Prices to producers for the current small grains crop were fixed by the Wheat Industry Control Board at a slight increase for wheat and rye, and no change for barley and oats. The wheat price is reported at \$2.46 per bushel in United States currency compared with \$2.43 for the past season. The increases in the price paid, as well as the higher costs for imported supplies, are absorbed by government subsidy, with bread held at the previous price.

UNION OF SOUTH AFRICA: Grain acreage and production, 1947-48
with comparisons

Year or period	Wheat	Rye	Barley	Oats
	1,000	1,000	1,000	1,000
	<u>acres</u>	<u>acres</u>	<u>acres</u>	<u>acres</u>
<u>Acreage a/</u>				
Average 1935-36-1939-40	1,926	117	79	545
1944-45	2,514	b/	b/	b/
1945-46	2,244	b/	150	900
1946-47	2,300	b/	105	781
1947-48	b/	b/	b/	b/
	1,000	1,000	1,000	1,000
	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
<u>Production</u>				
Average 1935-36-1939-40	16,259	794	1,451	6,966
1944-45	11,413	1,039	2,528	10,538
1945-46	9,493	836	1,884	9,121
1946-47	14,760	1,350	1,910	8,234
1947-48	18,763	1,711	2,625	11,545

From official and unofficial sources.

a/ Harvested acreage, where available.

b/ No estimates of harvested acreage available.

COTTON
(Continued from Page 48)

**BRAZIL'S COTTON CROP
EQUAL TO LAST YEAR**

The first official estimate for the State of Sao Paulo places the 1947-48 cotton crop (picking begins in March) at 850,000 bales (of 500 pounds gross) from 2,540,000 acres (second estimate) compared with 800,000 bales from 3,486,000 acres in 1946-47. Assuming a production of 50,000 bales for other south Brazilian States this year, and 40,000 last year and including private estimates of 400,000 bales for north Brazil in 1947-48 and 460,000 for 1946-47, it appears that the 1947-48 crop in all Brazil will be approximately equal to last year's crop of 1,300,000 bales.

In the State of Sao Paulo, 453,042 bags (936,353 bushels) of seed for planting the current crop were distributed prior to November 30. Last year the quantities distributed to that date totaled 608,141 bags (1,256,913 bushels). Drought conditions prevailed in most of the cotton areas for nearly two months preceding the middle of last December. Weather conditions thus far this season, however, have not been as detrimental to the cotton crop as was the case in the past two years and some improvement in yield over those years may be expected unless unfavorable weather develops during the picking season.

Considerable replanting was reported by farmers because of faulty seed. A shift to food and feed crops was evident in many areas, as prices for those commodities are relatively higher than those for cotton. Unfavorable weather, depleted soils and lack of sufficient fertilizers were listed as principal causes for low cotton yields in the past three years. This year is considered as a critical period that will determine whether the trend of cotton acreage in southern Brazil will be upward or downward, during the next several years.

Cotton stocks held by the Brazilian Government on November 30, 1947, were equivalent to 349,000 bales. In view of the reduced acreage this year and the rapidly declining stocks of cotton in Brazil, procurement officers indicated that the Government probably would not sell any more cotton for export but would hold it for use by the domestic textile industry. Stocks on hand in all Brazil at the end of 1947 were estimated at 1,938,000 bales, the lowest year-end stocks since 1942 when the estimate was 1,548,000 bales.

L A T E N E W S (Continued from Page 41)

exportation of cotton until the end of November 1947. On October 30 the Pakistan Government extended the order until the end of August 1948, but the Dominion Government announced (about December 12) that effective immediately exportation of cotton of 13/16 inch staple and longer was prohibited until further notice, to all destinations including Pakistan.

Samples of floor and ceiling prices in effect on January 20, 1948 (from new schedule issued December 23, 1947) were as follows (all grades fine): Jarila 3/4 inch, 430 and 530 rupees per candy (16.55 and 20.40 cents per pound Broach 3/4 inch (same as Jarila); Vijay BD8, B9, 1027 and Farm Broach 3/4 inch 480 and 530 rupees (18.48 and 22.33 cents); Punjab-American 289F SG 7/8 inch, 615 and 715 rupees (23.67 and 27.52 cents); Sind-American 4 F SG 3/4 inch (same as Vijay BD8); Oomra Deshi 5/8 inch, ceiling only, 425 rupees (16.36 cents) and Westerns 13/16 inch, 455 and 580 rupees (17.51 and 22.33 cents).

E C O N O M I C D E V E L O P M E N T S

AUSTRALIAN DOLLAR IMPORT SITUATION

The Australian Prime Minister recently confirmed reports that imports from the United States and Canada would be held to 90,000,000 Australian pounds for the fiscal year ending June 30, 1948.

Imports from the same area in the preceding fiscal year totalled 63,000,000 Australian pounds, but a review of outstanding import licenses which took place in October and November revealed that unless additional restrictive measures were taken, imports from the United States and Canada during the current fiscal year would amount to over 100,000,000 Australian pounds. As a result of the review, licenses valued at 17,000,000 pounds, or one-third of the total value of outstanding licenses, were cancelled, and although new applications may be made, license requirements will be considerably stricter.

Methods are now being considered for issuing dollar import licenses for the fiscal year 1948-49. The Prime Minister has stated that it is proposed to establish quotas for various classes of goods within a budget ceiling. Procedure to be followed in granting import licenses will be announced as soon as possible.

TRADE AGREEMENT BETWEEN THE NETHERLANDS AND SPAIN

The Governments of the Netherlands and Spain signed a trade agreement at The Hague on December 3, 1947, effective retroactively to December 1, 1947 and valid for one year. It superseded a previous agreement of somewhat more limited scope.

According to an official press release, the agreement aims at an extension of the commercial relations between the two countries. Each party has agreed to buy from the other certain specified quantities of a large variety of products. Among the important items to be exported by the Netherlands to Spain are seed potatoes, seeds and nursery products, live animals, electrical machines and appliances, other industrial machinery, chemical products, tobacco products, and industrial diamonds.

The most important groups of products to be exported by Spain to the Netherlands include tropical fruits, skins, leather and leather products, iron and zinc ores, metals and derivatives, potassium, pharmaceutical raw materials, and automotive tires and tubes.

